



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authority to decrease Contract 04-201-4F Tollway Dam, Grout Curtain and Quarry Plugs, Thornton Composite Reservoir, Calumet Service Area, to F.H. Paschen, S.N. Nielsen and Associates LLC and Cabo Construction Corporation, Joint Venture in an amount of \$5,775,607.72, from an amount of \$72,777,296.10, to an amount not to exceed \$67,001,688.38, Account 401-50000-645620, Purchase Order 5001105

Sponsors:

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Date	Ver.	Action By	Action	Result
8/4/2016	1	Board of Commissioners	Approved	Pass
8/4/2016	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 4, 2016

COMMITTEE ON Procurement

Mr. David St. Pierre, Executive Director

Authority to decrease Contract 04-201-4F Tollway Dam, Grout Curtain and Quarry Plugs, Thornton Composite Reservoir, Calumet Service Area, to F.H. Paschen, S.N. Nielsen and Associates LLC and Cabo Construction Corporation, Joint Venture in an amount of \$5,775,607.72, from an amount of \$72,777,296.10, to an amount not to exceed \$67,001,688.38, Account 401-50000-645620, Purchase Order 5001105

Dear Sir:

On December 3, 2009, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 04-201-4F Tollway Dam, Grout Curtain and Quarry Plugs, Thornton Composite Reservoir, Calumet Service Area, to F.H. Paschen, S.N. Nielsen and Associates LLC and Cabo Construction Corporation, Joint Venture, in an amount not to exceed \$67,775,617.14. The scheduled contract completion date was June 30, 2016. The project reached substantial completion on July 31, 2015.

As of July 8, 2016, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in an amount of \$5,001,678.96 from the original amount awarded of \$67,775,617.14. The current contract value is \$72,777,296.10. The prior approved change orders reflect a 7.38% increase to the original contract value.

This project is the first of three contracts that converted the north lobe of the Thornton Quarry into the Thornton Composite Reservoir. The project consisted of the construction of a roller-compacted concrete dam under Interstate 80/294 to prevent water in the reservoir from entering the Hanson Material Service Corporation's quarry, two concrete plugs in existing haul tunnels to isolate the reservoir from the quarry, and a

double row grout curtain along the perimeter of the reservoir to prevent water from escaping into the quarry and surrounding area.

Item 1: The contractor submitted various claims requesting additional compensation due to: a) changed subsurface conditions that caused drilling obstructions during the grout curtain work, b) lost productivity encountered during the roller-compacted concrete dam construction, and c) costs associated with extending the contract duration due to mining delays by Hanson Material Service which were outside of the contractor's control. The Engineering Department reviewed the claim and concluded that the contractor is due some compensation for escalation, preservation of the work and other incurred costs. The Engineering Department agreed upon a negotiated change order amount of \$2,018,061.00 for the extra costs incurred by the contractor, including labor and escalation of union wages required per the MPLA, insurance, and bond costs. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 1509, that the Engineering Department would recommend its approval.

Item 2: The contract is now complete and several unit price items were not fully utilized and therefore the purchase order can be credited. The value of the unused unit price items not required is \$7,793,668.72.

The contract is complete and it is necessary to decrease and close this purchase order.

This change order is in compliance with the Illinois Criminal Code since the change is due to circumstances not reasonably foreseeable at the time the contract was signed, and is in the best interest of the District.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute a change order to decrease Contract 04-201-4F in an amount of \$5,775,607.72 (7.94% of the current contract value), from an amount of \$72,777,296.10, to an amount not to exceed \$67,001,688.38.

Funds will be restored to Account 401-50000-645620.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:KMF

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for August 4, 2016

Attachment